

**BEFORE THE COMMISSIONER OF SECURITIES AND INSURANCE  
MONTANA STATE AUDITOR  
STATE OF MONTANA**

IN THE MATTER OF:

RBC CAPITAL MARKETS, LLC a broker-  
dealer firm (CRD #31194),

Respondent.

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Case No: SEC-2012-164

**CONSENT AGREEMENT AND  
FINAL ORDER**

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This Consent Agreement and Final Order is entered into by the Office of the Commissioner of Securities and Insurance, Montana State Auditor (CSI), acting pursuant to the authority of Mont. Code Ann. § 30-10-101, et seq., and RBC Capital Markets LLC (Respondent).

**RECITALS**

WHEREAS, the CSI received two complaints from V.D. and M.E. alleging unauthorized trading by one of Respondent's salespersons and investment adviser representatives;

WHEREAS, the CSI conducted an investigation into the trading in the complainants' accounts;

WHEREAS, based on the CSI's investigation, the CSI alleges that the Respondent violated Mont. Code Ann. § 30-10-201(13)(k) of the Securities Act of Montana (Act) relative to the trading conducted in the complainants' accounts; and

WHEREAS, in consideration of the following mutual undertakings, the CSI and Respondent enter into the following:

### **STIPULATIONS AND CONSENTS**

Without admitting or denying any of the CSI's allegations, the Respondent stipulates and agrees to the following:

1. On or before December 31, 2012, the Respondent shall pay a fine of \$25,000 to the CSI. The fine must be made payable to the State of Montana and sent to the CSI, ATTN: Jesse Laslovich, 840 Helena Avenue, Helena, Montana 59601.

2. On or before December 31, 2012, the Respondent shall pay restitution of \$35,726.00 to M.E., one of the complainants.

3. On or before December 31, 2012, the Respondent shall pay restitution of \$110,713.93 to V.D., one of the complainants.

4. On or before December 31, 2012, the Respondent shall make a contribution of \$15,000 to the Investor Protection Trust for the benefit of the state of Montana. The check must be sent to Investor Protection Trust, c/o Don Blandin, Suite 300, 919 Eighteenth Street NW, Washington, DC, 20006-5517. A copy of the check and any accompanying correspondence must be simultaneously mailed to the CSI.

5. Respondent acknowledges that it has read and understands each term of this Consent Agreement and that it enters into this Consent Agreement voluntarily and without reservation.

6. Respondent and the CSI agree that this Consent Agreement resolves the alleged violations set forth in the Recitals.

7. Respondent and the CSI hereby acknowledge and agree that this Consent Agreement constitutes the entire agreement between the parties and that no other promises or agreements, either express or implied, have been made by the CSI or by any member, officer, agent, or representative of the CSI to induce Respondent to enter into this Consent Agreement.

8. With respect to the Recitals, Respondent specifically and affirmatively waives a contested case hearing and its right to appeal under the Montana Administrative Procedures Act, including Title 2, chapter 4, part 7, and elects to resolve this matter on the terms and conditions set forth therein.

9. The CSI warrants and represents that it does not now have any intent to bring any further action against the Respondent based upon the conduct alleged in the Recitals.

10. Respondent fully and forever releases and discharges the CSI, and all CSI employees and agents from any and all actions, claims, causes of action, demands, or expenses for damages or injuries, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of the Recitals.

11. This Agreement is entered without adjudication of any issue, law or fact. It is entered solely for the purpose of resolving the CSI's investigation and allegations, and is not intended to be used for any other purpose.

12. The parties acknowledge and agree that this Consent Agreement may not be modified orally, and any subsequent modifications to this Consent Agreement must be mutually agreed upon in writing with the same formality of this Consent Agreement to be effective.

13. The parties agree that this Consent Agreement shall be incorporated into and made part of the attached Final Order issued by the Commissioner of Securities and Insurance, Montana State Auditor (Commissioner) herein.

14. Respondent further understands that, upon the signing of the Final Order by the Commissioner or her representative, this Consent Agreement and Final Order will be an order of the CSI, the CSI has jurisdiction over the enforcement of the Order, and failure to comply with it may constitute separate violations of the Code, as provided in Mont. Code Ann. § 30-10-308, and may result in subsequent legal action by the CSI.

15. Upon execution of this Consent Agreement and payment pursuant to ¶¶ 1-4, the CSI shall fully and forever release and discharge Respondent from any and all actions, claims, causes of action, demands, or expenses for damages or injuries, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of the Recitals and will not commence any further administrative, civil, or other legal action based upon the regulatory non-compliance alleged in the Recitals.

16. This Consent Agreement shall be effective upon signing of the Final Order.

17. Respondent acknowledges that this Consent Order and Final Order are public records under Montana law and as such may not be sealed or otherwise withheld from the public.

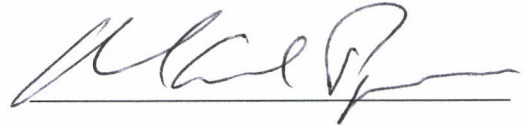
DATED this 19th day of December, 2012.



**JESSE LASLOVICH**  
Chief Legal Counsel for the CSI

DATED this 13<sup>th</sup> day of December, 2012.

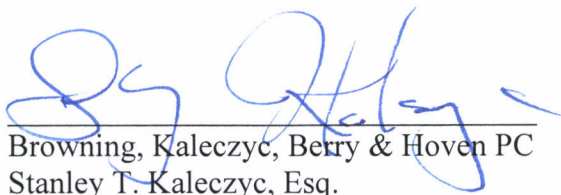
RBC CAPITAL MARKETS LLC



By: MICHAEL PYSNO

Its: MANAGING DIRECTOR

Approved as to Legal Content:



Browning, Kaleczyc, Berry & Hoven PC  
Stanley T. Kaleczyc, Esq.  
Counsel for the Respondent

**FINAL ORDER**

Pursuant to the authority vested by Mont. Code Ann. § 2-4-603 and §§ 30-10-101, MCA, et seq., and upon further review of the foregoing Consent Agreement and good cause appearing,

**IT IS ORDERED** that the foregoing Consent Agreement between the CSI and Respondent RBC Capital Markets LLC is hereby adopted as if set forth fully herein.

DATED this 19<sup>th</sup> day of December, 2012.

**MONICA J. LINDEEN**

Commissioner of Securities and  
Insurance, Montana State Auditor

  
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**LYNNE EGAN**

Deputy Commissioner of Securities

cc: Jesse Laslovich, CSI  
Stanley T. Kaleczyc, Esq., Counsel for Respondent